



COMMONWEALTH of VIRGINIA

Office of the Governor

Mark R. Warner
Governor

July 20, 2005

The Honorable John H. Chichester
Chairman
Senate Finance Committee
Senate of Virginia
Post Office Box 396
Richmond, Virginia 23218

The Honorable Harry J. Parrish
Chairman
House Finance Committee
Virginia House of Delegates
Post Office Box 406
Richmond, Virginia 23218

The Honorable Vincent F. Callahan, Jr.
Chairman
House Appropriations Committee
Virginia House of Delegates
Post Office Box 406
Richmond, Virginia 23218

Dear Messrs. Chairmen:

I am writing to provide documentation of the transactions of the Governor's Opportunity Fund which have occurred during the second half of the 2005 fiscal year as required by § 2.2-115(F) of the Code of Virginia.

For the second half of the 2005 fiscal year, ended June 30, 2005, a total of \$7,162,500 was committed from the Opportunity Fund to assist 19 projects relocating to or expanding in the state. Summaries on these projects follow:

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1. Halifax County: **Lindstrand Technologies** will locate a new facility in Halifax County. Lindstrand is a manufacturer of inflatable fabric structures and will create 50 jobs. Investment will total \$2.5 million (amount of grant: \$100,000; use of grant: building improvements). This project has been announced.
2. Pulaski County: **BondCote Corporation**, a manufacturer of coated and laminated industrial fabrics, will expand its existing facility in Pulaski County. BondCote will create 27 new jobs and invest \$2.8 million (amount of grant: \$37,500; use of grant: building improvements). This project has been announced.
3. Henry County: **Texturing Services, Inc.** will locate a new facility in Henry County. This company is a provider of texturing services for the yarn industry. Total investment is \$13.25 million, with 200 new jobs being created (amount of grant: \$250,000; use of grant: building improvements). This project has been announced.
4. City of Roanoke: **Johnstown America Corporation**, a manufacturer of freight cars, will locate a new facility in the City of Roanoke. This location will create 400 jobs, and investment will total \$5.5 million (amount of grant: \$200,000; use of grant: site improvements). This project has been announced.
5. Patrick County: **Ten Oaks, LLC** will locate a new facility in Patrick County. Ten Oaks is a manufacturer of hardwood flooring. This company will create 150 new jobs, and investment will total \$5.95 million (amount of grant: \$200,000; use of grant: building acquisition and improvements). This project has been announced.
6. City of Danville: **Yorktowne Cabinetry, Inc.**, a manufacturer of kitchen cabinets, will locate a new facility in the City of Danville. Yorktowne will create 540 new jobs, and investment will total \$19.1 million (amount of grant: \$1,800,000; use of grant: site preparation and building improvements). This project has been announced.
7. Town of Pulaski: **James Hardie Building Products**, a manufacturer of fiber cement siding, will locate a new facility in the Town of Pulaski. James Hardie will create 200 new jobs and invest \$95 million (amount of grant: \$450,000; use of grant: site preparation). This project has been announced.

8. Carroll County: **AmerLink, Ltd.** will locate a new facility in Carroll County. AmerLink is a manufacturer of log homes and will create 200 new jobs. Investment will total \$3 million (amount of grant: \$300,000; use of grant: site development and building construction). This project has been announced.
9. King George County: **Gerdau Ameristeel**, a manufacturer of concrete reinforcing fabrication, will locate a new facility in King George County. Gerdau will create 50 new jobs and invest \$5 million (amount of grant: \$100,000; use of grant: site improvements). This project has been announced.
10. Mecklenburg and Southampton Counties: **Narricot Industries, LP** will expand its existing facilities in Mecklenburg and Southampton Counties. Narricot is a manufacturer of seatbelts and air bags for the automotive industry. This expansion will create 138 jobs and an investment of \$20 million (amount of grant: \$450,000; use of grant: site and building improvements). This project has been announced.
11. Town of South Hill (Mecklenburg County): **Peebles, Inc.** will expand its distribution center in the Town of South Hill. This expansion will create 81 jobs and \$6.5 million investment (amount of grant: \$200,000; use of grant: building improvements). This project has been announced.
12. Roanoke County: **Tecton Products LLC**, a manufacturer of fiberglass products, will locate a new facility in Roanoke County. Tecton will create 58 jobs and invest \$6.5 million (amount of grant: \$100,000; use of grant: land acquisition, site development, and infrastructure improvements). This project has been announced.
13. Prince George County: **Service Center Metals**, a manufacturer of aluminum rod, bar, and tubing, will expand its existing facility in Prince George County. This expansion will create 32 new jobs and an investment of \$28 million (amount of grant: \$50,000; use of grant: site preparation). This project has been announced.
14. Roanoke County: **ITT Industries Night Vision** will expand its existing facility in Roanoke County. ITT is a developer and manufacturer of night-vision goggles and will create 250 jobs. Investment will total \$51.7 million (amount of grant: \$700,000; use of grant: building improvements). **This project has not been announced.**

15. Wythe County: **Klockner Pentaplast of America, Inc.**, a manufacturer of rigid film for credit cards and shrink-wrap labeling for beverage containers, will expand its existing facility in Wythe County. Klockner will create 54 new jobs and invest \$17 million (amount of grant: \$125,000; use of grant: site improvements and building construction). **This project has not been announced.**
16. Washington County: **Mid-Mountain Foods, Inc.** will expand its warehouse and distribution center in Washington County. This facility will be used for frozen storage and distribution to the Food City supermarket chain. Investment will total \$19.35 million, with 110 new jobs being created (amount of grant: \$250,000; use of grant: construction of second access bridge to warehouse). This project has been announced.
17. Wythe County: **PepsiCo, Inc.**, a manufacturer of beverages, will locate a new facility in Wythe County for its Gatorade line. This location will create 250 jobs, and investment will total \$140 million (amount of grant: \$750,000; use of grant: site preparation). This project has been announced.
18. Arlington County: **BNA, Inc.** will relocate its headquarters from Washington, DC, to Arlington County. BNA is a publisher of print and electronic news. This company will create 289 new jobs, and investment will total \$110 million (amount of grant: \$1,000,000; use of grant: building and site improvements). This project has been announced.
19. Albemarle County: **Princeton BioMeditech Corporation**, a manufacturer of rapid, point-of-care diagnostic kits, will locate a new facility in Albemarle County. Princeton BioMeditech will create 115 new jobs, and investment will total \$7 million (amount of grant: \$100,000; use of grant: site preparation). **This project has not been announced.**

For the projects which have been announced, I am enclosing a profile, an analysis and recommendation by the Virginia Economic Development Partnership, and a scoring sheet.

For the second half of the 2005 fiscal year, actual disbursements from the Fund were made to Grayson County for Universal Food and Beverage; Scott County for Midpaco, Greensville County for Toll Integrated Systems, Mecklenburg County for RD Group, Botetourt County for Arkay Packaging, Orange County for Aerojet, the City of Virginia Beach for Stihl, Henry County for MasterBrand Cabinets, Carroll County for AmerLink, Fairfax County for IBM, Warren County for Northeast Cooperative, the City of Bristol for Snack Alliance, the City

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of Roanoke for Maple Leaf Bakery, Henrico County for Wachovia Securities, King George County for Gerdau Ameristeel, Mecklenburg County for Narricot Industries, Southampton County for Narricot Industries, Mecklenburg County for Peebles, and the City of Danville for Yorktowne Cabinetry. Actual disbursements totaled \$8,440,000.

Sincerely,

Mark R. Warner

MRW/vjn

Enclosures

c: The Honorable Michael J. Schewel
Secretary of Commerce and Trade

Mr. Mark R. Kilduff, Executive Director
Virginia Economic Development Partnership